

V E R M O N T
EARLY CHILDHOOD
ADVOCACY ALLIANCE

2024 Legislative Agenda Results
Extended Summary – Housing and Homelessness

HOUSING & HOMELESSNESS: Increase Access to Safe, Stable, and Affordable Housing for all Children: [FY25 Budget](#), [H. 827](#), [H. 879](#), [H. 687](#)
Results: Emergency Housing reduced, minimal investments in Affordable Housing

Pre-session goals:

- Make \$160 million in housing capital available for affordable housing and shelter development and preservation
- Provide full statutory funding of the Vermont Housing and Conservation Board through the Property Transfer Tax
- Re-envision the state-run emergency housing system
- Ensure adequate funding for General Assistance emergency housing and households remaining after the end of the Hotel/Motel program (the June Cohort) while any programmatic changes are implemented
- Adequately fund the state programs that provide support and services for households in temporary and permanent housing, with particular attention to housing stability and retention services designed to increase sustainability and prevent homelessness for Vermont families.

Emergency Housing

The Governor's Recommended FY25 Budget proposed very large cuts to the General Assistance (GA) Emergency Housing Program, with a funding level (\$24 million) that returned GA to its limited, pre-pandemic scope. It also limited eligible participants to only 28 days of shelter in a 12-month period, and drastically reduced eligibility for housing during the winter Adverse Weather Conditions period. These limits would have left many vulnerable Vermonters without housing options much of the year, as the community-based shelters are already operating at full capacity and in the post-pandemic housing market finding affordable housing takes far longer than 28 days.

The House FY25 Budget rejected this framing, and proposed a funding increase of \$20 million over the Governor's proposal using contingency dollars. The House also spent considerable time developing H.879, legislation that would have for the first time created an emergency housing program in statute. This formal legal authorization would provide more predictability and stability for program participants, community providers, and state staff who administer the

benefit. As the program would not have begun until FY26, the House proposed budget included a continuation of the current GA program, with no room caps in winter months for eligible families and a room cap for the rest of the year. They set a higher limit on maximum days of eligibility (up to 90 days). The bill relied on funding from H.829 (see below) and created an Advisory Committee and Task Force to help further develop the details of the GA program.

The Senate generally did not support the steps outlined in H. 879. Some of the provisions were scaled back and folded into their FY25 Budget. In general, the Senate favored a less expansive GA program than the House, but more than the Governor. This position was reflected in their FY25 budget proposal.

After extensive discussions between the Administration, the House, and the Senate, the final FY25 Budget includes \$44 million to fund Emergency Housing – \$7.5m in base, \$16.5m in one-time, and \$20m in contingency funds which will be available if future tax revenues come in as predicted. An Emergency Housing Task Force is set up to develop recommendations for creating a state emergency housing program in future years.

The agreement that was struck includes the following provisions:

- Elimination of the previous Vulnerable and Catastrophic eligibility framework
- Provision of emergency shelter in hotels/motels for households with vulnerable members for up to 80 days in a year during non-winter months with a cap of 1,300 rooms, and access to emergency shelter for all eligible households from December 1 to March 31. These winter days do not count against the 80 day per year maximum days
- Households that do not meet eligibility criteria do not have access to emergency shelter in hotels and motels through the General Assistance Program, even in the winter months.

To address this last provision, the budget includes an additional \$10 million in contingency funds to develop emergency shelter capacity. These funds can also be used to develop permanent supportive housing capacity.

This emergency housing plan is better than the initial one outlined in the Governor’s proposal, thanks to considerable work from the Legislature, especially the House. However, it will still leave many vulnerable and non-vulnerable Vermonters without shelter during significant portions of the year.

Additional Affordable Housing Investments

The Governor’s Recommended FY25 Budget included full statutory funding of \$24.6 million for the Vermont Housing and Conservation Board (VHCB). Both the House and the Senate supported this part of the Governor’s proposed budget. Unfortunately, it did not include significant additional funding to maintain the substantial, sustained investments necessary to address the affordable housing and homelessness crisis in Vermont.

The House developed and passed comprehensive housing legislation, H.829, that included a vision for a 10-year housing plan. Funding for the needed investments would have come from an increase in Property Transfer taxes and a new personal income tax bracket for very high-income

Vermonters, as supported by the Fund Vermont's Future Coalition. The House plan also included funding for a number of affordable housing and homelessness prevention programs. The bill provided for an increase of \$17.5 million in new investments in FY25, with much more significant funding in future years.

The Senate was not in agreement with the House funding proposal, either in scope or funding methodology. Senate leadership felt that the primary way to support the creation of new housing should be through regulatory reform rather than additional investment, and neither H. 829 nor H. 879 was taken up but the Senate.

After much negotiation between various House and Senate committees, a compromise on housing investments was struck. Using an increase in the Property Transfer tax rate on homes of \$750,000 and above (excluding seasonal homes) that will generate \$15.6 million in FY25, \$6.1 million is directed to VHCB and \$8.2 million will be invested in several other housing programs including: the First-Generation Home Buyers Program; the Manufactured Housing Improvement and Rehabilitation Program; and three programs approved last year in S.100 but not funded that support landlords and tenants with housing stability and eviction prevention. The proposal to create a housing task force to develop a long-term housing plan that was supported by the House was eventually included in H.687, which was passed by the Senate.

Additional funding for FY25 housing initiatives may be realized through the ARPA Waterfall and the Contingency Fund appropriations. If there are still sufficient unspent ARPA dollars, VHCB will be allocated \$30 million to invest in affordable housing and shelter capacity and the Vermont Housing Finance Agency will receive \$25 million for the Middle-Income Homeownership Development Program. Funding of \$6 million for the VHIP Program was also added to the contingency list, as well as \$4 million for the Healthy Homes Program.

Supports and Services

The Governor's Recommended FY25 Budget included \$25.8 million for an existing program that distributes grants to community programs that provide a variety of supports to households experiencing homelessness, and an additional \$7 million in funding for several new community-run shelters scheduled to open later this year. The Legislature included these funding proposals in their FY25 Budget.

The community-based organizations had hoped to secure a higher level of funding to help them address the increased needs that these organizations are likely to see with the cuts to the GA Emergency Housing program and the ending of the federally-funded emergency rental assistance program.

LEAD ORGANIZATION: [Housing & Homelessness Alliance of Vermont](#)